

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1843
ANSWERED ON:01.08.2003
EXPORT OF COMMERCIAL SERVICES
MOHAN RAWALE

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the present status of Indian exports in respect of commercial services; and
- (b) the details of measures taken by the Government to increase the export of commercial services?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI S.B. MOOKHERJEE)

(a): As per the latest WTO report, the value of exports of commercial services made by India in 2002 is placed at US\$ 20.7 billion constituting 1.3% of the world exports of commercial services. The rate of growth of export of commercial services in 2002 over the previous year was 8% in dollar terms.

(b): Under the Exim Policy, the Government has formulated a scheme wherein Service Providers have been allowed dutyfree credit entitlement for import of spares, office equipment and furniture, professional equipment and consumables, except the agriculture and dairy products. The entitlement would be equivalent to 10% of the average foreign exchange earned by them in the preceeding three licensing years excepting for the Service Providers in the Tourism Sector. The entitlement in the case of hotels of the category of three star and above and those related to the Tourism Sector, registered with the Department of Tourism, would be 5% of the average foreign exchange earned by them in the preceeding three licensing years. The scheme will cover only those Service Providers who have an average foreign exchange earning of over 10 lakh in the preceeding three licensing years.